

March 25, 2019

Dear Congressman Hoyer,

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy organization based in Washington, D.C. For more than four decades, we have fought for every major policy advance that has helped women and families. We promote fairness in the workplace, reproductive health and rights, access to quality, affordable health care, and policies that help women and men meet the dual demands of their jobs and families. **We strongly support H.R. 7**, the *Paycheck Fairness Act*, and urge to you vote for passage while opposing any harmful amendments.

As the *Paycheck Fairness Act* recognizes, women and workers from communities of color continue to face significant pay disparities in the United States. On average, women working full time, year round are paid only 80 cents for every dollar paid to men. The wage gap is widest for many women of color: Among women who hold full-time, year-round jobs in the United States, Black women are typically paid 61 cents, Native American women 58 cents and Latinas just 53 cents for every dollar paid to white, non-Hispanic men. White, non-Hispanic women are paid 77 cents and Asian women 85 cents for every dollar paid to white, non-Hispanic men, although some ethnic subgroups of Asian women fare much worse. The wage gap persists across different industries, occupations and education levels, and exists in <u>nearly every congressional district</u>.

These troubling statistics underscore the need to update our nation's equal pay laws. The *Paycheck Fairness Act* would make it safe for workers to discuss their wages with each other. Currently, employers are able to mask compensation discrimination with pay secrecy policies that forbid employees from discussing pay and benefits. Secrecy and the threat of retaliation leaves workers unable to learn about and challenge pay disparities. In a survey of private sector workers, over 62 percent of women and 60 percent of men reported that their employers discourage or prohibit the discussion of wage and salary information. The *Paycheck Fairness Act* would make pay secrecy policies illegal.

The *Paycheck Fairness Act* would also prohibit employers from screening job applicants based on their salary history or requiring salary history during the interview process. People should be paid fairly for the job they are being hired to do. Women are typically paid lower wages than men even in their first jobs. Salary disparities that begin early in a woman's career can follow them from job to job when employers are permitted to base a new hire's salary on her prior salary.

The bill would also make it more difficult for employers to justify pay discrimination. Workers in the same company, who do the same job and have the same years of experience, education and training should be paid the same. Currently, however, employers are able to explain away differences in pay too easily by relying

on a catch-all defense in the *Equal Pay Act*. The *Paycheck Fairness Act* would close that loophole and require employers to prove that any differences in pay are not sexbased, are job related with respect to the position in question, are consistent with business necessity and account for the entire difference in compensation. Employees claiming pay discrimination would also have new opportunities to prove that the employer's defense is pretext.

In addition to these critical provisions, the *Paycheck Fairness Act* would also allow workers alleging pay discrimination within the same company to file class action suits; change the remedies of the *Equal Pay Act* to treat gender-based pay discrimination claims the same as other civil rights violations that result in unfair pay; recognize companies that want to do better; and improve fair pay enforcement, data collection and disclosure.

The *Paycheck Fairness Act* is a much needed update to our nation's equal pay laws. **We urge you to vote in support** and oppose harmful amendments.

Sincerely,

Sarah Fleisch Fink General Counsel and Director of Workplace Policy National Partnership for Women & Families

1875 connecticut avenue, nw ~ suite 650 ~ washington, dc 20009 phone: 202.986.2600 ~ fax: 202.986.2539 email: mmcgrain@nationalpartnership.org ~ web: nationalpartnership.org







